

February 27, 2023

Written Testimony Submitted to the Connecticut General Assembly Joint Committee on Judiciary in support of SB4.

To Representative Luxenberg, Senator Moore, and members of the Housing Committee:

Thank you for the opportunity to submit written testimony in support of SB-4 **AN ACT CONCERNING CONNECTICUT'S PRESENT AND FUTURE HOUSING NEEDS**. While I am supportive of this bill in general, I will suggest some important revisions that will make the bill even more effective. The focus of my testimony is on section 1, regarding rent stabilization, and section 21, the pilot grant program for multi-family retrofits. I will argue that both of these provisions have the potential to significantly improve the health, wealth and overall well-being of numerous low-moderate income Connecticut residents.

I am Dr. Annie Harper, and I am an Assistant Professor at the Yale School of Medicine Department of Psychiatry's [Program for Recovery and Community Health](#). The views I express here are solely my own and do not represent those of any organization or agency with which I am currently or have previously been affiliated.

In my role as an academic researcher, I conduct research into the associations between finances, poverty, and mental health. My research has included studies on the impact of debt on health, including debt from rent arrears and utility arrears. Rent arrears arise as a result of unaffordable housing, and utility arrears arise as a result of unaffordable energy costs; hence my interest in the above-mentioned sections of SB-4. Both types of debt are strongly associated with negative physical and mental health outcomes. A study we conducted in New Haven in 2020, before the worst impacts of the Covid-19 pandemic, found that 35% of people with a utility bill currently had arrears, and that 38% of renters had been behind on rent at some point in the prior year. This study also found that people with these types of debt reported worse physical and mental health than others. In-depth interviews with tenants as part of this study found that they juggle multiple types of debt as they try to make ends meet, causing significant stress and anxiety and damaging their ability to build stronger financial futures for themselves and their families.

The connection between affordable housing and health has been established by other researchers; for example research led by my colleague Dr. Danya Keene [found that](#) people who receive federal rental assistance experience significant decreases in uncontrolled diabetes compared to individuals who were waiting for this rental assistance. Dr. Keene and myself have conducted research in New Haven and other Connecticut cities, as part of which we frequently speak with tenants who are experiencing high rent burdens, similar to more than half of [Connecticut renters](#). This work has shown the harmful effects of unaffordable rents, with tenants having to cut back on basic needs such as food and healthcare in order to afford rent and experiencing significant anxiety as they teeter constantly on the edge of losing their home. We have been involved in evaluating Connecticut's new Right to Counsel program, with early findings showing that the legislation was an important step towards protecting tenant's rights and preventing evictions. However, conversations with tenants as part of that evaluation have shown that even with legal representation, the lack of affordable housing, and the ability for landlords to raise the rent beyond tenant's ability to pay, has created a situation where some people simply cannot afford to stay housed.

High energy costs also contribute to unaffordable housing and poor health. Low-income renters in Connecticut have an extremely high energy burden (the amount they pay on energy as a % of their income); renters earning less than 30% state median income have an energy burden up to [six times that of others](#). This can result in cutting back on essentials, arrears, disconnections, damaged credit and raises the risk of eviction, all of which have significant negative health impacts. These include stress-associated physical and mental problems associated with chronic stress, including debt-related stress, and [illnesses related to living in homes](#) that are too cold/hot, including asthma associated with mold, and a higher risk of carbon monoxide poisoning. One reason that low-income people so often fall behind on their energy bills is that they often reside in energy inefficient buildings. The landlord-tenant split incentive is a well-studied cause of the relatively low rate of energy efficiency upgrades in rental units. Another barrier is housing conditions. Low-income rental units are more likely to have roof leaks, mold, poor indoor air quality, lead piping, asbestos, and old wiring which prevent significant energy efficiency upgrades from being completed. In Connecticut in 2019, ¼ of low-income residential weatherization projects through Energize-CT [could not proceed](#) due to such barriers.

The provisions included in SB4 have enormous potential to address both the affordable housing and energy challenges faced by many Connecticut residents.

First, regarding section 1, concerning rent stabilization. A rent cap by itself will not solve Connecticut's affordable housing problem. We need more housing to be built, urgently. But that will take time and investment and does not meet the needs of tenants faced with unaffordable rent now. Given the disastrous impacts of unaffordable rent, we simply can't afford to wait. Once we have the housing we need, rents are likely to stabilize, but a rent cap will still be important to ensure that all tenants are able to meet their essential needs and to plan ahead financially. Crucially, housing stability allows people to make the social investments in their neighborhoods and communities that we know create both wealth and well-being. Evidence from cities across the country shows that rent caps do not impede responsible investment in housing. Investment in housing is important, but nobody – not tenants, nor responsible landlords - benefit from the speculative investments of massive, corporate landlords seeking to maximize profits at all costs. We do not want, or need, this type of investment in our housing. We also need to do much more to address zoning limitations on the construction of affordable housing, which is a much larger barrier to housing construction than rent caps. In sum, I strongly support a rent cap in Connecticut, and as such support SB-4. However, I would like to suggest some revisions to the bill.

- It is absolutely vital that the rent cap apply even when the previous tenant leaves and the landlord is renting to a new tenant. We have seen multiple examples of landlords trying to evict tenants so that they can raise the rent.
- It is also essential that the bill include good cause eviction protections to cover all tenants, not just the elderly and disabled who are already protected in this regard.
- The bill would be more effective if the cap were lower - closer to 3%.

Second, regarding section 21, the Pilot Grant Program for Multifamily Retrofits which would allocate \$1 billion over 5 years for retrofitting multifamily (5+ units) residences built before 1980 in environmental justice communities including remediating health and safety barriers. I strongly support this funding, which will allow numerous properties that up to now have not been able to receive energy efficiency upgrades, creating healthier homes for residents, and allowing them to save on their energy bills. I do have some recommendations for improving the bill, namely:

- I recommend that 1-4 unit properties be also included as these are typically less energy efficient and have less access to funding. In my work I have come across numerous 1-4 unit properties where energy efficiency upgrades are sorely needed, but that have been unable to receive the upgrades due to health and safety barriers.

Thank you for your consideration of my comments,

Sincerely

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